



**warrego**  
energy

**ASX/MEDIA RELEASE**  
22 November 2022

## Chairman's Address

Warrego Energy Limited (“**Warrego**” or the “**Company**”) (ASX: WGO) is pleased to provide a copy of the Chairman's Address to be presented at the Company's Annual General Meeting today commencing at 2:00pm (Perth time).

Authorised by the Chairman and issued in accordance with the Company's disclosure policy.

**ENDS**

### For further information contact:

Dennis Donald  
Managing Director & Group CEO  
T: +44 7961 897 894  
E: [investors@warregoenergy.com](mailto:investors@warregoenergy.com)

### Investors and Media

David Tasker  
Chapter One Advisors  
T: +61 433 112 936  
E: [dtasker@chapteroneadvisors.com.au](mailto:dtasker@chapteroneadvisors.com.au)

### About Warrego Energy Limited

Warrego Energy is focused on the development of onshore assets in Australia and Spain. In Western Australia's prolific Perth Basin, the Company holds a 50% interest in EP469, including the West Erregulla gas project, and 100% of STP-EPA-0127, covering 8,700 km<sup>2</sup> (or 2.2 million acres).

In Spain, the Company holds an 85% working interest in the Tesorillo gas project in the Cadiz region and a 50.1% working interest in the El Romeral gas to power facility in the Seville region.

Website: [www.warregoenergy.com](http://www.warregoenergy.com)

## **CHAIRMAN'S ADDRESS**

**Warrego Energy Limited**  
**Annual General Meeting – 22 November 2022**

Good afternoon ladies and gentlemen.

I'm Greg Columbus, Chairman of Warrego Energy Limited.

### **Acknowledgement of Country**

Firstly, I would like to acknowledge the Traditional Owners of the land on which we stand along with the lands on which we conduct our activities in the Perth Basin, and pay respect to their Elders, past, present and emerging.

I also pay my respects to Aboriginal Elders of other communities who may be present.

I thank and welcome shareholders who have taken the time and joined the meeting physically.

### **Recent Developments**

As you will have noticed in recent weeks, Warrego Energy has been the subject of significant market and media attention – with two of our Perth Basin exploration and development peers taking great interest in our assets – and our stock.

On 10 November 2022, Warrego announced our West Erregulla JV partner and shareholder Strike Energy Limited had submitted a non-binding and indicative all-scrip proposal under which Strike would acquire all of the shares in Warrego that it did not already own by way of scheme of arrangement. Under Strike's proposal, shareholders would receive 0.775 Strike shares for each of your Warrego shares, along with any net proceeds from the sale of our Spanish assets.

On 11 November 2022, we received an all-cash proposal from Beach Energy Limited to acquire all the shares in Warrego for \$0.20 per share by way of scheme of arrangement. Similarly, shareholders would also receive any net proceeds from the sale of our Spanish assets under the offer from Beach.

Based on Strike's closing price on 11 November 2022 of \$0.25 per share, the implied value of Strike's proposal at the time of the Beach offer was made was \$0.194 per share (excluding the possible net proceeds from Spain), which was less than Beach's \$0.20 per share proposal. The Beach proposal also delivers cash certain value to Warrego shareholders for their shares, versus an uncertain future value for Strike shares under the Strike proposal.

After careful consideration of the respective offers, your Board decided to enter into a Scheme Implementation Deed (SID) with Beach as announced on 14 November 2022.

Your Board unanimously recommends that Warrego shareholders vote in favour of the Scheme with Beach, in the absence of a Superior Proposal and subject to an Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of Warrego shareholders.

In the coming months, shareholders will receive a detailed scheme booklet which will contain important information to assist you in assessing the proposed transaction and also an independent expert's report which will provide an opinion as to whether or not the transaction is considered to be in the best interests of shareholders.

These two bids confirm the value of our assets and the continuing overall strength of the oil, gas and energy sector of which we are an important part in the community.

### **Making Great Strides**

Over the past 12 months Warrego Energy has continued to enhance the underlying value of our assets consolidating a solid base for our future success.

### **WA Focus**

Most notably, we saw some important breakthroughs at our West Erregulla gas development just up the highway in the onshore Perth Basin in Western Australia.

In late July 2022, we were delighted to announce a significant 41% upgrade of Reserves and Resources for the West Erregulla gas field.

The upgrade followed a successful independent review of the field by Netherland, Sewell & Associates Inc. (NSAI) post the drilling of the WE-3 well in the Northern Area of the field.

Elsewhere, Warrego continued to progress its subsurface analysis of EP469, primarily in the area between West Erregulla and Lockyer Deep (EP426), with the aim of identifying new exploration targets prior to undertaking the planned Natta 3D Seismic Survey, planned for late 2023, subject to EPA approvals.

Meanwhile, we are also confident we are close to obtaining key permitting for our 2.2 million acres (8,700 sq. km) EPA-0127 application licence - the largest exploration permit located onshore Western Australia. We are negotiating with three indigenous groups we have two signed up and hope to have the remaining party by the end of this year.

EPA-0127's exciting potential is underpinned by the farm-out a 50% working interest in the permit to Mitsui E&P Australia announced last November.

### **Spain**

In Spain, Warrego's strategic focus has revolved around progressing the development of our gas and electricity assets through:

- Maximising opportunities for the El Romeral gas to power project, including the development of near field gas prospects for the expansion of supply to the domestic electricity market in Spain, and complementary renewable energy technologies such as solar;
- Developing the Tesorillo gas project and supplying the domestic gas market in Spain; and
- Investigating the long-term potential for energy storage, CCS and other carbon management technologies, and hydrogen production.

## **Carbon strategy – net zero by 2050**

Warrego continues to develop a carbon strategy that can evolve with the Company and its projects. We have:

- Adopted an independent ESG framework with 21 core metrics and disclosures created by the World Economic Forum
- Subscribed to Socialsuite's 'ESG Go' reporting platform
- Joined Mid West Blue Hydrogen and CCS consortium – with a feasibility study completed subsequent to the end of the reporting season producing positive results.

## **Conclusion**

In conclusion, the entire Warrego team has done a tremendous job over the past 12 months to ensure your Company is well positioned financially and for the growth of our assets.

As we have seen in recent weeks, this is now being fully appreciated by our peers and the market.

We thank you for all your continued support in these exciting times for Warrego.